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AGREEMENT

THIS AGREEMENT, made this 17th day of April, 1964, by and among ROHM & HAAS COMPANY, a Delaware corporation with headquarters at Philadelphia, Pennsylvania, Party of the First Part (hereinafter called "R&H"), WHITMOYER LABORATORIES, INC., a Delaware corporation with headquarters at Myerstown, Pennsylvania, Party of the Second Part (hereinafter called "Whitmoyer"), and CLARENCE W. WHITMOYER, THOMAS W. BALKCOM, and MICHAEL J. DEMOCCHIO, Parties of the Third Part (all being stockholders in Whitmoyer and hereinafter referred to as "Stockholders"),

WITNESSETH:

WHEREAS, R&H is a manufacturer of chemicals, plastics, and related products, and Whitmoyer is a manufacturer of vitamins, medicines, feed supplements, medicinal feed additives, packaged proprietary disease preventives and treatments, and other health products principally for the poultry and livestock industries;

WHEREAS, Whitmoyer and the Stockholders are desirous of having Whitmoyer dispose of its entire business, as a going concern, in exchange for common stock in R&H, such stock to be distributed by Whitmoyer to the shareholders of Whitmoyer, all pursuant to the Plan of Reorganization and on the terms and conditions hereafter set forth;

AND WHEREAS, R&H is desirous of incorporating a new, wholly-owned subsidiary and of having that subsidiary acquire the assets of Whitmoyer, as a going concern, including, among other things, cash, securities, accounts receivable, inventories, supplies, unexpired insurance and other prepaid items, investments in subsidiary and affiliated companies, land, buildings, machinery, equipment, furniture, fixtures, automobiles, trucks, and other transportation equipment, patents, trademarks, copyrights, inventions, for-

mulas, processes, new drug applications, licenses and rights deriving from any and all governmental agencies, technical information, detailed engineering drawings, laboratory and research records, licenses and interests to and under inventions, formulas, processes, patents, and trademarks owned by others, books of account, records, customer lists, documents and muniments of title, the names "Whitmoyer" and "Whitmoyer Laboratories," and good will, subject to liabilities of Whitmoyer as hereinafter limited;

NOW THEREFORE, the parties hereto, intending to be legally bound, do mutually agree as follows:

1. R&H, promptly after the execution of this Agreement, will take steps to organize a new corporation under the laws of Delaware (hereinafter sometimes referred to as "W-L") and transfer to said corporation a maximum of 50,289 shares of R&H common stock (previously issued but reacquired by R&H and now held in R&H's treasury) in exchange solely for stock or stock and securities of said W-L, so that W-L will be a wholly-owned subsidiary of R&H.

2. On the Closing Date (hereinafter prescribed), Whitmoyer will transfer all its said assets and business to W-L, subject to liabilities of Whitmoyer as shown on its books and as shown on the audited balance sheet dated October 31, 1963, furnished to R&H by Whitmoyer, adjusted only for changes occurring in the ordinary course of business from that date until the Closing Date hereunder and except for the acquisition by Whitmoyer of the remaining twenty per cent (20%) of the outstanding stock of Whitmoyer Laboratories Ltd. (it being specifically understood that the transfer is not to be subject to any liabilities or claims not disclosed thereon or any claims of a contingent nature, such, for example, as income tax deficiencies for prior periods, product liability claims not covered by insurance, and any other claims or liabilities not so disclosed or reserved against and arising out of trans-

actions or occurrences which took place before the Closing Date), the subject liabilities to be assumed by W-L, solely in exchange for a number of shares of R&H common stock; and R&H agrees on behalf of W-L that the latter shall accept said assets, subject to said liabilities (which it shall assume), and shall pay therefor a total of 49,650 full shares of R&H common stock, plus one full share of R&H common stock for each eight shares of Whitmoyer issued upon the exercise, prior to closing, of the now outstanding warrants to subscribe for Whitmoyer shares, plus, with respect to any warrants remaining unexercised at closing but deemed to be then exercised as hereinafter provided in section 4, one full share of R&H common stock for each eight such Whitmoyer warrant shares less that number of R&H shares equivalent to the \$5 per Whitmoyer share subscription price under the warrants so deemed to be exercised, all as provided in section 4 hereof.

3. Conveyancing of the assets shall be made on the Closing Date from Whitmoyer to W-L by general warranty deeds in fee simple, in the case of the real property, and by bill of sale with general warranty, in the case of the personal property. Title is to be good and merchantable and, in the case of the realty, such as will be insured at regular rates by any reputable title insurance company. In each instance, conveyancing shall be free of liens and encumbrances except as may be noted on the attached Schedule "A" describing the real property, and on the attached Schedule "B" describing the personal property.

4. Certificates to the shares of R&H common stock to be delivered pursuant to this agreement shall be delivered by W-L to Whitmoyer at the time of the actual closing, with all required documentary stamps attached, in exchange for the aforesaid transfer by Whitmoyer. The certificates representing such shares of R&H common stock shall be in such names and denominations as Whitmoyer shall have requested in writing ten (10) busi-

ness days prior to closing. The shares so delivered to Whitmoyer shall be fully paid and non-assessable shares of R&H common stock of the class of common stock now authorized and issued and listed on the New York Stock Exchange entitled to participate pro rata in all dividends, rights and other distributions declared or made to common shareholders of record at or after the close of business on the date of closing. The said shares to be delivered to Whitmoyer are now listed on the New York Stock Exchange, and R&H warrants that they will continue to be so listed until the closing hereunder. R&H shall not be required to transfer fractions of shares or scrip representing fractions of shares of common stock.

The parties recognize that as at April 17, 1964 there were outstanding warrants to subscribe to 5,109 shares of Whitmoyer common stock. These warrants were issued in connection with the sale and distribution of the Whitmoyer 6% subordinated debentures due 1977 and are exercisable until October 31, 1964 or until the retirement of the debentures, whichever is the later date. Under a Plan of Liquidation and Dissolution to be adopted pursuant to the terms of this agreement all such outstanding warrants remaining unexercised shall be treated as having been exercised as of the Closing Date hereunder. There shall be delivered to the Myerstown Bank and Trust Company, as designated Warrant Agent, out of the said shares of R&H common stock a number of shares equivalent to the number of shares of R&H common stock which would have been delivered had said warrants been exercised prior to the Closing Date, less a number of shares of R&H common stock to adjust said delivery for the exercise price of \$5 per share of Whitmoyer (which adjustment shall be based on the closing price of R&H on the New York Stock Exchange on the last business day preceding the actual closing hereunder), and said number of shares shall be retained by W-L or R&H. The Warrant Agent shall hold said R&H common stock

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in escrow for transfer to said warrant holders upon presentation of said outstanding warrants. Any of such R&H common stock not transferred to warrant holders pursuant to such presentation shall be held for transfer until after expiration of the time period, under any applicable State law, for their presentation and if not so presented shall be returned to W-L or to R&H, if the latter so elects.

Immediately after the closing hereunder Whitmoyer shall take all requisite proceedings to distribute to its shareholders pro rata, in accordance with their respective shareholdings, all shares of common stock of R&H received by Whitmoyer pursuant to this Agreement, fractional interests in such shares to be represented by, at the sole option of Whitmoyer, scrip, other appropriate instruments to be issued by or on behalf of Whitmoyer in form and substance first approved by R&H or any other arrangement satisfactory to Whitmoyer in form and substance first approved by R&H.

Whitmoyer, immediately after the delivery hereunder, will discontinue and not renew the business which it is now conducting, and it will initiate proceedings to dissolve its corporate existence and liquidate its affairs.

5. Promptly after the execution of this Agreement, R&H or W-L will order title searches on the real properties to be conveyed by Whitmoyer. In the event the title reports disclose any material defects or encumbrances (other than encumbrances listed on the annexed Schedule "A"), then, unless such defect can be and is promptly removed by Whitmoyer, R&H and W-L shall have the option to take what title Whitmoyer can convey, with a corresponding reduction in the number of R&H common shares to be exchanged, based upon their value on the New York Stock Exchange at the close of the market on the last business day preceding the actual closing hereunder.

6. From and after the date of this Agreement, Whitmoyer shall afford to the officers, attorneys, accountants, and other authorized representatives of R&H and W-L free and full access to Whitmoyer's plant, property books and records, and to the plant and similar books and records of all of Whitmoyer's subsidiary and affiliated companies, in order that they may have full opportunity to make such investigation as they shall desire of the affairs of Whitmoyer and said companies, provided that such investigation shall not unreasonably interfere with the business operations of Whitmoyer or said companies.

7. Whitmoyer and Stockholders represent, warrant, and covenant to and with R&H and W-L as follows:

(a) Whitmoyer is a corporation organized, existing, and in good standing under the laws of the State of Delaware, with an authorized capital stock consisting of 500,000 shares of \$1 par common stock of which 397,206 shares have been issued and are outstanding, and an additional 5,109 shares are subject to issue upon the exercise of warrants presently outstanding.

(b) Whitmoyer International Ltd., Inc. is a corporation organized, existing, and in good standing under the laws of the Commonwealth of Pennsylvania, with an authorized capital stock consisting of 1,000 shares of \$25 par common stock, of which 963 shares have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer.

(c) Whitmoyer Laboratories of Dixie, Inc. is a corporation organized, existing, and in good standing under the laws of the State of Georgia, with an authorized capital stock consisting of 10,000 shares of 10¢ par common stock, of which 9,500 shares have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer.

(d) Barker, Moore & Main Co., Inc., is a corporation organized, existing, and in good standing under the laws of the Commonwealth of Pennsylvania, with an authorized capital stock consisting of 750 shares of \$100 par common stock, all of which have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer.

(e) Whitmoyer-Reed Ltd. is a corporation organized, existing, and in good standing under the laws of the United Kingdom, with an authorized capital stock consisting of 30,000 £1 par ordinary shares, of which 17,901 ordinary shares have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer.

(f) Whitmoyer International (Canada) Ltd. is a corporation organized, existing, and in good standing under the laws of Ontario, Canada, with an authorized capital stock consisting of 36,000 shares of 6% redeemable non-cumulative \$1 par preferred stock, none of which have been issued, and 4,000 shares of non-par common stock, all of which have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer.

(g) Whitmoyer de Mexico, S.A. is a corporation organized, existing, and in good standing under the laws of Mexico, with an authorized capital stock consisting of 50 shares of 10,000 peso par common bearer stock, all of which have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer International (Canada) Ltd.

(h) Whitmoyer Laboratories Ltd. is a corporation organized, existing, and in good standing under the laws of Nova Scotia, Canada, with an authorized capital stock consisting of 3,000 shares of \$25 par 6% redeemable cumulative preferred stock, all of which have been issued and are out-

standing but owned by others than Whitmoyer, and 1000 shares of \$25 per common stock, all of which have been issued and are outstanding, are fully paid and non-assessable, and are owned entirely by Whitmoyer.

(i) Whitmoyer Laboratories (Quebec) Ltd. is a corporation organized, existing and in good standing under the laws of Quebec, Canada, with an authorized capital stock consisting of 100 shares of no par common stock, of which 10 shares have been issued at a value of \$50 per share and are outstanding, are fully paid and non-assessable, and are entirely owned by Whitmoyer Laboratories Ltd.-

(j) Whitmoyer-Cunningham Feedatives Ltd. is a corporation organized, existing and in good standing under the laws of British Columbia, Canada, with an authorized capital stock consisting of 25,000 shares of \$1 per common stock, of which 15,000 shares have been issued and are outstanding, are fully paid and non-assessable, and are owned 6,750 shares by Whitmoyer and 8,250 shares by K. H. Cunningham.

(k) Whitmoyer has furnished to R&H its financial statements, including balance sheets and profit and loss statements for the fiscal years ended October 31, 1963, audited and certified to by the firm of Main, Lafrentz & Co., and for the fiscal years ended October 31, 1962, 1961, and 1960, audited and certified to by the firm of Main and Company; financial statements of Whitmoyer International Ltd., Inc. for the fiscal year ended October 31, 1963, audited and certified to by the firm of Main, Lafrentz & Co., and for the fiscal years ended October 31, 1962 and 1961, audited and certified to by the firm of Main and Company; financial statements of Whitmoyer Laboratories of Dixie, Inc. for the fiscal years ended October 31, 1963 and 1962, audited and certified to by the firm of Main, Lafrentz & Co., and for the fiscal years ended October 31, 1961 and 1960, audited and certified to by Richard M.

Dillard; financial statements of Barker, Moore & Main Co., Inc. for the year ended October 31, 1963, audited and certified to by the firm of Main, Lafrentz & Co., and for the fiscal years ended October 31, 1962 and 1961, audited and certified to by the firm of Main and Company; financial statements of Whitmoyer-Read Ltd. for the fiscal years ended October 31, 1963, 1962, 1961, and 1960, audited and certified to by Eric A. Lovegrove; financial statements of Whitmoyer International (Canada) Ltd. for the fiscal years ended October 31, 1963 and 1962, audited and certified to by the firm of Gray, Butcher, Frost & Smith; financial statements of Whitmoyer de Mexico, S.A. for the fiscal years ended October 31, 1963 and 1962, audited and certified to by the firm of Despacho Rodolfo Hernandez H.; financial statements of Whitmoyer Laboratories Ltd. for the fiscal years ended October 31, 1963, 1962, 1961, and 1960, audited and certified to by the firm of Barrett & Gibson; financial statements of Whitmoyer Laboratories (Quebec) Ltd., for the fiscal year ended October 31, 1963, audited and certified to by the firm of Barrett & Gibson, and for the fiscal years ended October 31, 1962, 1961, and 1960, audited and certified to by the firm of E. G. Leatham & Company; and all of the said foregoing balance sheets and profit and loss statements are true, complete, and correct and accurately reflect the operations for the periods covered and the financial condition of the respective companies at the dates shown on said balance sheets.

(1) The inventories shown on the balance sheets referred to in subsection (k) were valued at the lower of cost or market; and the inventories at those times conformed, and inventories on hand at the Closing Date will conform, to customary trade standards for marketable goods.

(m) The trade accounts receivable (other than from affiliated and subsidiary companies) shown on the balance sheets in the statements re-

(o) Whitmoyer and the other companies mentioned in subsection (k) have paid or adequately reserved for any and all taxes, license fees, and other charges levied, assessed, or imposed upon any of their properties; all federal, state, and local tax returns due on income and properties of said companies before the Closing Date will have been filed, and all taxes shown thereon to be due will have been paid; all federal income tax returns of Whitmoyer have been examined by the Internal Revenue Service and settled through the fiscal year ended October 31, 1959, and for the subsidiary companies returns have been audited and settled, or indicated to be acceptable as filed, by the appropriate national taxing Authority as follows:

Fiscal Year Ended October 31

Whitmoyer International Ltd., Inc.	1959
Whitmoyer Laboratories of Dixie, Inc.	-
Barker, Moore & Main Co., Inc.	1962
Whitmoyer-Read Ltd.	1962
Whitmoyer International (Canada) Ltd.	1962
Whitmoyer de Mexico, S.A.	-
Whitmoyer Laboratories Ltd.	1963
Whitmoyer Laboratories (Quebec) Ltd.	1962
Whitmoyer-Cunningham Feedatives Ltd.	1962

and Whitmoyer and the Stockholders have no knowledge of any pending or potential claims for taxes against any of said companies other than those not yet due and payable for the fiscal year which began November 1, 1963, and except for Whitmoyer's fiscal years ended October 31, 1962 and 1961, which are currently under audit by the Internal Revenue Service.

(p) Since October 31, 1963, the date of the most recent of the balance sheets referred to in subsection (k) above, there have been no substan-

tial changes in the assets, liabilities, or financial condition of Whitmoyer and the other subsidiary and affiliated companies, other than those which have occurred in the ordinary and usual course of business (and except for the acquisition by Whitmoyer on November 1, 1963, of the remaining twenty per cent (20%) of the outstanding stock of Whitmoyer Laboratories Ltd. and except for certain capital additions to plant made by Whitmoyer and Whitmoyer-Reed Ltd.), and none of these has been materially adverse; from the date of this Agreement until the Closing Date, the business of Whitmoyer and of each of the other subsidiary and affiliated companies will be conducted only in the ordinary and usual fashion as heretofore, no material or substantial changes in their assets will be made other than changes in the ordinary and usual course of business, and, except with the prior written consent of R&H or of W-L, neither Whitmoyer nor the other companies will make any long-term or other substantial commitments, including salary, bonus, or wage levels, pay any bonuses or make any unusual expenditures of any kind, and Whitmoyer will not declare or pay any dividend on, or make any distribution or payment in respect of, its capital stock, or redeem, purchase, or otherwise acquire any of such stock, or make any new commitments for fixed assets in excess of \$10,000.00 total or make any new borrowings of money in excess of \$350,000.00 total.

(q) Whitmoyer, with respect not only to itself but also to its subsidiary and affiliated companies, will use its best efforts to preserve the entire business organization intact, to keep available the present complement of employees, and to preserve the present relationships with both suppliers and customers.

(r) All inventories, buildings, and other insurable assets owned or leased by Whitmoyer and its said subsidiary and affiliated companies

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are and will be adequately insured against fire and allied perils until the Closing Date; valid policies therefor are and will be outstanding and duly in force; the current premiums thereon will be paid prior to the Closing Date; and said insurance will be endorsed so that the proceeds thereof, in the event of loss, will be payable to Whitmoyer, the subsidiary and affiliated companies, R&H, or W-L, as their interests may appear.

(s) Before the Closing Date, Whitmoyer and the Stockholders will have taken all necessary and proper corporate proceedings required to authorize the consummation of the transactions contemplated by this Agreement, including the affirmative vote, in person or by proxy, of the holders of at least two-thirds of the outstanding stock entitled to vote; at the closing they will furnish copies of the minutes of meetings of stockholders and directors at which the execution of this Agreement and the consummation of the transactions contemplated hereby were authorized; and evidence satisfactory to counsel for R&H will be provided showing that all requirements under the corporation laws of the State of Delaware and under the charter and by-laws of Whitmoyer have been complied with to authorize the said transactions.

(t) Whitmoyer will take such steps as are required to effect a change in its corporate name to one bearing no resemblance whatever to its present name, Whitmoyer Laboratories, Inc., said change to be effective on the Closing Date and the necessary papers affecting the same to be presented at the closing; and Whitmoyer shall execute and furnish to R&H or to W-L such consents as may be necessary for W-L to effect a change in its corporate name to Whitmoyer Laboratories, Inc. (or some similar name) on the Closing Date and to permit W-L under its new name to qualify in all the states and other jurisdictions where Whitmoyer is now, or at that time shall be, authorized to do business.

(u) As soon as reasonably practicable after the Closing Date, Whitmoyer shall prepare and file all federal, state, and local income and other tax returns which may be required in connection with the conduct of its business and operations prior to the Closing Date.

(v) Neither Whitmoyer nor Stockholders nor any of their officers or employees have engaged or authorized any person, firm, or corporation to represent and act as a "finder" for them, or any of them, in bringing to fruition the acquisition contemplated by this Agreement, and they have not incurred any obligation to pay anyone a "finder's fee."

It is understood and agreed that R&H, W-L, and their successors and assigns shall have no pecuniary recourse against Whitmoyer or the Stockholders or the escrow security deposit provided for in section 11 hereof unless and until the aggregate of damages arising out of the breach or breaches of their warranties hereunder or pursuant hereto exceeds the total of \$20,000.00 (including attorneys fees and all other costs of litigation and defending against claims) and then only to the extent of the excess over that sum.

8. R&H represents, warrants, and covenants to and with Whitmoyer and the Stockholders as follows:

(a) R&H is a corporation organized, existing, and in good standing under the laws of the State of Delaware, with an authorized capital stock consisting of 150,000 shares of \$100 par preferred stock, of which 65,000 shares are designated as 4% cumulative preferred stock, Series A, 61,539 shares thereof being outstanding; and 8,000,000 shares of \$5 par common stock, of which 4,979,320 shares have been issued and are outstanding or have been reacquired and are held in the treasury of R&H, all of the 4,979,320 shares having been validly issued and fully paid and non-assessable.

(b) R&H has furnished to Whitmoyer copies of its annual reports containing financial statements, audited and certified to by the firm of Peat, Marwick, Mitchell & Co., for the calendar years 1963 and 1962 on a partially consolidated basis, and for the calendar years 1961, 1960, and 1959 on a separate, parent company only, basis, including both balance sheets and profit and loss statements; and said financial statements are true, complete, and correct, and accurately reflect the financial condition of R&H at the respective dates shown on said balance sheets, the profit and loss statements being also true, complete, and correct, and accurately reflecting operations during the periods covered.

(c) While R&H is involved as a party defendant in several minor suits based upon contract, or upon negligence or product liability, its liabilities, if any, in connection with the negligence and product liability claims are adequately covered by insurance; and these suits do not, either singly or in the aggregate, involve risks which could have any material effect upon the financial condition of R&H. R&H does not know or have any reason to believe that any other claims are about to be asserted against it which could have any significant effect upon its financial condition.

(d) The execution of this Agreement has been duly authorized by the Executive Committee of the Board of Directors of R&H, and certified copies of the resolutions in that regard will be furnished to Whitmoyer at the closing.

(e) R&H will assist and collaborate with Whitmoyer in every reasonable way in connection with the preparation of proxy statements and such other information and documents as may be required to obtain the approval of Whitmoyer's stockholders for the transactions contemplated by this Agreement.

(f) R&H has not engaged or authorized any person, firm, or corporation to represent and act as a "finder" for it in bringing to fruition the acquisition contemplated by this Agreement, and it has not incurred any obligation to pay anyone a "finder's fee."

9. In order to protect the business and good will to be conveyed to W-L, Whitmoyer and the Stockholders covenant and agree with R&H and W-L that neither Whitmoyer nor any of the Stockholders will, for a period of five years following the Closing Date, engage in any business, other than as an agent or employee of R&H or W-L, similar to that to be conveyed hereunder, including, without limitation, the business of manufacturing and selling vitamins, medicines, feed supplements, medicinal feed additives, packaged proprietary disease preventives and treatments, and other health products for the poultry, animal, and livestock industries; and they also further covenant that neither Whitmoyer nor any of the Stockholders will at any time, without the express consent of R&H or of W-L, disclose to any other person any of the confidential, technical, or secret information to be conveyed by Whitmoyer hereunder. Moreover, at the closing Whitmoyer shall assign to W-L or to R&H all contracts and agreements which Whitmoyer has with its employees which restrain them from, among other things, disclosing or making other unauthorized use of trade secrets, processes, developments, theory, details or other confidential, technical, or secret information obtained by them by reason of, or in the course of, their employment by Whitmoyer or any of its subsidiary or affiliated companies, so that W-L and R&H may enjoy the benefit of said agreements as fully as Whitmoyer now does.

10. All statements contained in any certificate or other instrument delivered by Whitmoyer or Stockholders to R&H or W-L pursuant hereto or in connection with the transactions contemplated hereby shall be deemed repre-

representations and warranties by Whitmoyer and the Stockholders. All representations, warranties, and covenants of Whitmoyer and Stockholders in this Agreement, or pursuant hereto, shall be deemed joint and several. The representations, warranties, and covenants of all parties hereto shall be true also at the Closing Date and shall survive the closing transactions hereunder.

11. As security for the warranties and covenants of Whitmoyer and Stockholders under this Agreement, and also to protect R&H and W-L from any claims not assumed by them which may hereafter be made against any of the assets and properties to be conveyed hereunder, Stockholders agree at the time of closing to deposit an aggregate of 5,000 shares of R&H common stock in escrow with The Philadelphia National Bank, Broad and Chestnut Streets, Philadelphia, Pennsylvania, as Escrow Agent. If within the course of twenty-four months following the Closing Date any claims (other than in connection with liabilities agreed to be assumed hereunder by R&H or by W-L) shall have been made against R&H or W-L or any of the assets or properties transferred hereunder, arising out of any occurrence or event which took place before the Closing Date, or if a breach of any covenants or warranties given by Whitmoyer and Stockholders in or pursuant to this Agreement shall occur, R&H or W-L shall give Whitmoyer, the Stockholders, and the Escrow Agent prompt notice thereof. As to such claims asserted by any third party, Whitmoyer and the Stockholders shall have the opportunity, if they so choose, to defend against the claims; and after the aggregate of such claims (and expenses connected therewith) exceeds \$20,000.00, they shall either assume the defense thereof or promptly arrange for the discharge or settlement of such claims as they admit to be due. In either case, R&H and W-L shall cooperate with them in every reasonable way in the defense of claims asserted by any third party. If Whitmoyer and the Stockholders shall refuse or neglect to defend against any such claim, and if a final order or judgment is entered by any court against R&H or W-L, or

against the assets and properties conveyed hereunder to W-L, or if R&H or W-L shall assert any claims against Whitmoyer or Stockholders for breach of any of their covenants or warranties hereunder and a final order or judgment is entered by any court against Whitmoyer or Stockholders on account of such claim or claims, and if the aggregate of all such claims so ordered or admitted to be due (together with the expenses connected therewith) exceeds \$20,000.00, W-L shall have the right to payment of the excess over \$20,000.00 out of the escrow security deposit. In that event the Escrow Agent shall either release the necessary number of shares (valued at their then market value) to W-L or, at the latter's request, sell the shares and release to W-L the proceeds of the sale. Twenty-four months after the Closing Date, if no claims shall have been made, or if all claims so made (and the expenses connected therewith) in excess of \$20,000.00 in the aggregate shall have been discharged, the escrow deposit arrangement shall terminate; and the Escrow Agent, after first paying its fee or fees from the deposit and any earnings thereon, shall remit the balance of the deposit and earnings to Stockholders, their personal representatives, or assigns.

12. It is the intent of the parties hereto that the various transactions and exchanges contemplated by this Agreement will qualify as tax-free corporate organizations and reorganizations, and as tax-free exchanges pursuant thereto. Albert E. Arent and Edwin L. Kahn, Esqs., whose address is 1000 Federal Bar Building, 1815 "H" Street, N.W., Washington 6, D. C., shall be engaged to apply for and obtain a ruling from the Internal Revenue Service to the effect that the incorporation of W-L and the transfer to it by R&H of shares of R&H's common stock held in its treasury in exchange for voting stock, or such stock and securities, of W-L will qualify as tax-exempt under the Internal Revenue Code of 1934, and will not result in the recognition of gain

or loss to either R&H or W-L; that the transfer of substantially all the assets of Whitmoyer, subject to certain of its liabilities, to W-L in exchange for shares of R&H common stock will qualify as a tax-free reorganization under said Code and the exchanges will not result in the recognition of gain or loss to either Whitmoyer or W-L; and that the exchange of the Stockholders' stock in Whitmoyer for stock of R&H will qualify as tax-free under said Code and will not result in the recognition of gain or loss to the Stockholders. Obtaining such a ruling shall be a condition to the obligation of the parties hereto.

13. The Closing Date shall be 12:01 A.M., Eastern Daylight Time, July 1, 1964, but the parties shall meet to effect the contemplated exchanges and have settlement at 10:00 A.M., Eastern Daylight Time, June 30, 1964, at the offices of R&H in Philadelphia, Pennsylvania, provided that by said date R&H or W-L shall have obtained satisfactory title reports and a commitment from a reputable title insurance company to insure fee simple title to all the real estate to be conveyed hereunder, and provided further, that the Internal Revenue Service ruling referred to in section 12 shall have been received. By mutual agreement, the settlement may be effected at any other time or place satisfactory to the parties. In the event a favorable ruling from the Internal Revenue Service, satisfactory to counsel for Whitmoyer and counsel for R&H, shall not have been received by June 29, 1964, then the Closing Date shall be postponed to 12:01 A.M., Eastern Daylight Time, August 1, 1964; and if by five months after the date hereof no such favorable ruling shall have been received, then either Whitmoyer or R&H may elect to cancel and terminate this Agreement.

14. Whitmoyer and Stockholders agree that, at any time and from time to time after the Closing Date, they will, upon the request and at the

expense of R&H or W-L, do, execute, acknowledge, and deliver, or cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, or assurances as may be required for better assigning, transferring, conveying, assuring, and confirming to W-L the transfer of the assets and properties to be conveyed to it hereunder.

15. It is understood and agreed that the corporate parties hereto, Whitmoyer acting not only for itself but also as agent for the Stockholders, may by written agreement extend the time for performance of any of the obligations or other acts of the parties hereto and waive compliance with or modify any of the covenants contained in this Agreement, and waive or modify performance of any of the obligations of any of the parties hereto. The agreement of either corporate party to any such extension, modification, or waiver shall be valid and sufficiently authorized for the purposes of this Agreement if authorized or ratified by the Board of Directors (or duly empowered Executive Committee thereof) of such party.

16. Any notice, request, instruction, or other document to be given hereunder to any of the parties by the others shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid, if to Whitmoyer or Stockholders, then addressed to them in care of Crumlish and Kania, Esqs., 1521 Walnut Street Building, Philadelphia, Pennsylvania 19102, and if to R&H or W-L, then addressed to them in care of J. Fay Hall, Jr., Esq., 222 West Washington Square, Philadelphia, Pennsylvania 19105, or in either case to such other address as the party to be notified may, by proper notice hereunder, have directed.

17. This Instrument, together with its attachments, contains the entire agreement among the parties hereto with respect to the transfer of assets in exchange for stock and the other transactions contemplated herein.

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It shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and personal representatives. However, nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon or give to any person, firm, or corporation (except W-L) other than the parties hereto any rights or remedies by way of third party beneficiary or otherwise under or by reason of this Agreement. Any questions arising hereunder shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania. It being contemplated herein that W-L shall be organized, R&H shall have the right to assign to it any rights and obligations which R&H has under or pursuant to this Agreement; but such assignment shall in no way relieve R&H from responsibility for any of its covenants and warranties given herein or pursuant hereto.

IN WITNESS WHEREOF, the corporate parties hereto have caused this Instrument to be executed by their respective duly authorized officers; and the individual parties have hereunto affixed their signatures and seals as of the date first above written.

Attest:

J. Fay Hall, Jr.
Asst Secretary

Attest:

Michael J. O'Meara
Assistant Secretary

ROHM & HAAS COMPANY

By Fred Klein
Vice President

WHITMOYER LABORATORIES, INC.

By C. W. Whitmoyer
President

STOCKHOLDERS

Witness:

[Signature]

C. W. Whitmoyer (SEAL)
CLARENCE W. WHITMOYER

Witness:

Robert J. Sullivan

Thomas W. Balkcom (SEAL)
THOMAS W. BALKCOM

Witness:

Robert J. Sullivan

Michael J. Demucchio (SEAL)
MICHAEL J. DEMUCCHIO